GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4693
ANSWERED ON:23.08.2001
JAPANESE ASSISTANCE TO SIMHARDI THERMAL POWER STATION
GANGASANDRA SIDDAPPA BASAVARAJ;GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI;Y.S. VIVEKANANDA REDDY

Will the Minister of POWER be pleased to state:

(a) whether the Japanese Government has signed an agreement with the IndianGovernment to grant Rs.720 crore worth of official development assistance for the Simhadri Thermal Power Station Phase-II;

(b) if so, the details of projects on Phase-II which the Japanese Government has frozen and are now ready to provide assistance;

(c) the conditions for granting loan; and

(d) the time by which these projects are likely to be completed?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) to (d) : National Thermal Power Corporation (NTPC) is implementing SimhadriThermal Power Project (TPP) (2x500 MW) in Visakhapatnam District of Andhra Pradesh. The project is partly funded by loan to NTPC from Japan Bank for InternationalCo-operation (JBIC). In February, 1997, JBIC extended first tranche loan of JY 19,817 million (approximately Rs.710 crores).

Subsequently in August, 2000, second Tranche loan of JY 12,194 million (approximately Rs.465 crores) was pledged by Government of Japan as OfficialDevelopment Assistance (ODA) loan.Loan agreement for this second tranche loan was signed between NTPC and JBIC on 30th March, 2001 and made effective on 31st May,2001. Main terms and conditions of the second tranche loan are as follows :

(i) The rate of interest will be 1.8% per annum.

(ii) Disbursement period shall be 7 years from effectuation of the loan.

(iii) The repayment period will be twenty (20) years after the grace period of ten (10) years.

The work on Simhadri TPP is progressing as per schedule.Unit 1 and Unit II arelikely to be commissioned in March, 2002 and December, 2002 respectively.

As present, NTPC has no proposal to develop phase II of Simhadri TPP.